

# Incentive Programs Advisory Group Meeting

Sacramento, California  
August 17, 2009

CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY  
 Air Resources Board

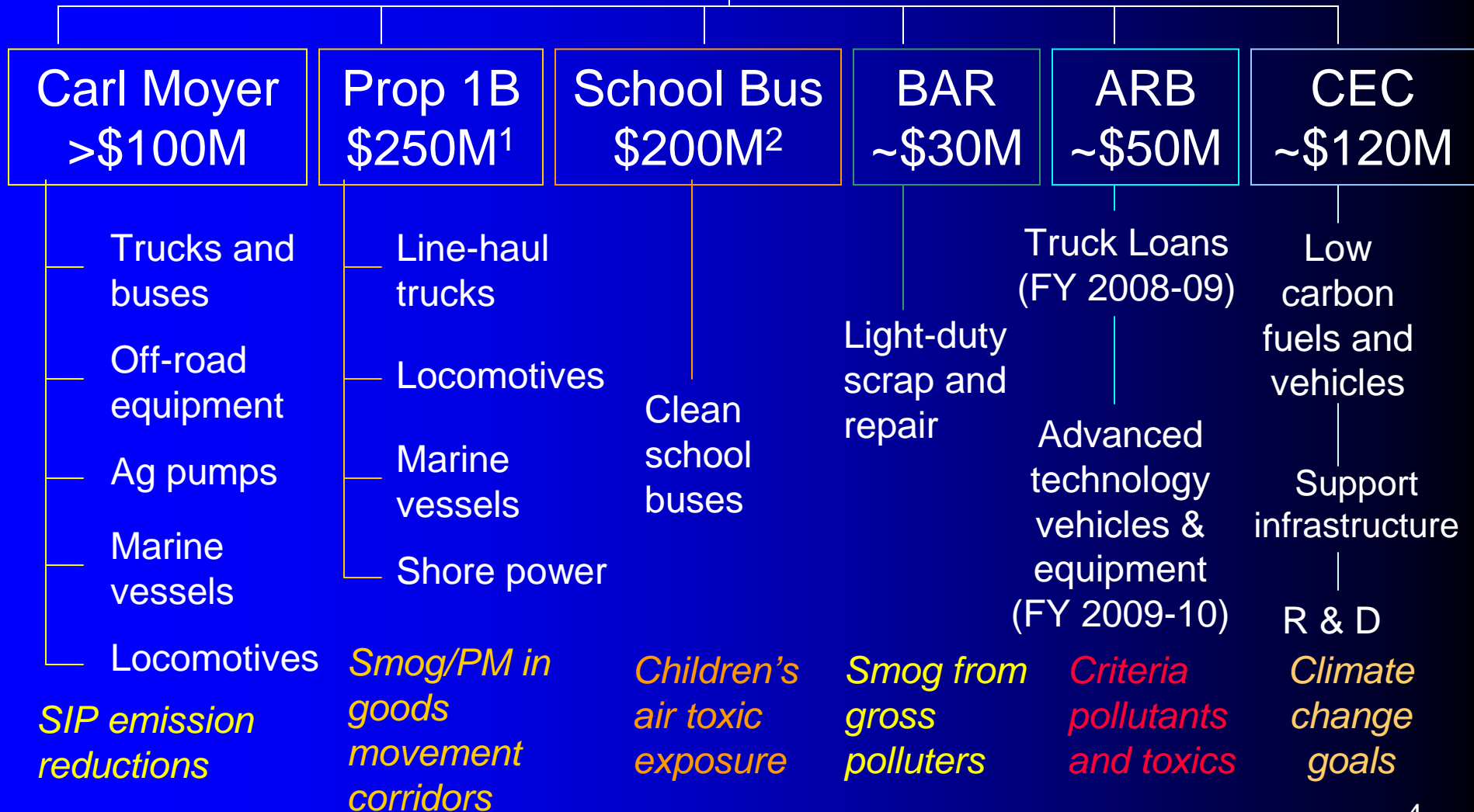
# Today's Agenda

- Welcome and Introductions
- Coordination Among Incentive Programs and the Future of Incentives
- Improving Small Business Access to Incentive Programs
- Retrofit Exemption in Carl Moyer Program Off-Road Repower Projects
- Next Steps

# Coordination Among Incentive Programs and the Future of Incentives

# \$500M+/year CA Investment

**AB 118**



<sup>1</sup>Contingent on bond sales

<sup>2</sup>One time funding

# Recap of September 2008 Advisory Group Meeting

- ARB analysis gauging future Carl Moyer Program demand
  - Sufficient projects from “traditional” Moyer categories through next year
  - Medium-term: projects still available in off-road, marine, and ag categories
  - Longer-term: increased focus on unregulated sources

Analysis details available at:

[http://www.arb.ca.gov/msprog/moyer/advisory\\_grp/9-18gauging\\_future\\_moyer\\_funding.pdf](http://www.arb.ca.gov/msprog/moyer/advisory_grp/9-18gauging_future_moyer_funding.pdf)

# Coordination Efforts

- ARB/district effort underway to better align Carl Moyer and Goods Movement Programs
  - Increase programs' efficiency
- Line item review of process, eligibility criteria, and funding levels
- Work within legislative limits

# Implementing Program Changes

- Carl Moyer Program changes implemented via Program Advisory on July 1, 2009
- Goods Movement Program Guidelines changes will be considered in 2010
  - Before next round of projects selected
- Continue ARB/district work on longer-term coordination issues

# Issues for Discussion

- Near-term issues
  - Program refinements to improve efficiencies
  - Helping applicants navigate incentive programs
- Longer-term approaches
  - New emission categories and/or project types
  - New approaches for smaller businesses
  - What can be done within existing statute and what would require statutory changes



# Discussion and Comments

Submit questions/comments to:  
[coastalm@calepa.ca.gov](mailto:coastalm@calepa.ca.gov)

# Improving Small Business Access to Incentive Programs

# Changes Underway

- New incentive approaches
  - Carl Moyer vouchers for truck purchases
  - Loan guarantees for truck upgrades
  - AB118 streamlined vouchers and rebates
- Coordinated outreach
  - Multiple access points for applicants
  - Focused district outreach for smaller fleets
  - New ARB diesel hot line and improved web site with information on regulations and incentives

# Ongoing Needs for Small Business

- Continuing education about regulations and incentive opportunities
- Assistance navigating application process
- Streamlined application, contracting, and project reporting

# Issues for Discussion

- Meeting the need for increased small business assistance with existing resources
- Streamlining while ensuring emission benefits

# Discussion and Comments

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# Retrofit Exemption for Carl Moyer Program Off-Road Repower Projects

# Background

- 2005 Guidelines required retrofits on repowers
- 2008 Guidelines included off-road retrofit waiver for off-road compression-ignition equipment
  - Based on suggestion of advisory group
- Waiver allowed applicants to opt out of retrofit installation
  - District's discretion to offer flexibility
  - Flexibility expired after one year



# Expire Waiver

## Pros

- Emission reductions are critically needed
- Tier 2 and 3 engines still relatively dirty
- Green jobs and survival of retrofit firms
- Many fleets already required to install off-road retrofits
- No compelling reason not to retrofit

## Cons

- Repower + retrofit may not be most cost-effective
- Adds complexity
- May deter some applicants

# Off-Road Retrofit Waiver Status

- 8 retrofits currently available
- 13 districts offered waiver
  - 31 of 66 applicants accepted waiver
- 18 districts did not offer waiver
  - 9 funded off-road projects

# ARB Intent

- Allow waiver to expire
- Release advisory ASAP
- Applications received prior to advisory can proceed with waiver

# Discussion and Comments

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# ARB Incentive Program Contacts

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